ENERGY ASSURANCE DAILY

Monday Evening, April 14, 2008

Major Developments

Shell Restarts U.S. Gulf to Midwest Capline Crude Pipeline April 14 Following Outage Due to Leak

According to Shell representatives and trade sources, the Capline pipeline was shut April 11 after a technician discovered a small leak of about 10 gallons of crude on the line in Tennessee. Crews worked non-stop to repair the leak. Shell reports that it restarted the line late morning April 14 and anticipates that the entire Capline system will return to normal operations over the next few days. The pipeline which was operating below capacity at the time of the leak. The 40-inch line spans approximately 667 miles from Louisiana to Illinois and has capacity of 1.1 million b/d. Three factors have mitigated against a supply disruption from the outage; the outage was of relatively short duration, stocks on hand in the Midwest are currently near their highest levels in six months, and the pipeline was operating below capacity at the time of the leak.

Reuters, 11:04 April 14, 2008

http://www.bloomberg.com/apps/news?pid=20601087&sid=aBFZConliTcM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news?pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBM&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=20601087&sid=a9II4uWwJEBW&refer=homehttp://www.bloomberg.com/apps/news/pid=a9II4uWwJEBW&refer=homehttp://www.bloowberg.com/apps/news/pid=a9II4uWwJEBW&refer=homehttp://www.bloowberg.com/apps/news/pid=a9II4uWw

National Petroleum Agency of Brazil Reports Carioca Find May Contain 33 Billion Barrels of Oil April 14

A top Brazilian oil official reports April 14 that an offshore find by Brazilian state oil company Petrobras and partners could contain 33 billion barrels of oil equivalent. Haroldo Lima, head of the National Petroleum Agency, cautions that his information on the deep-water field off the coast of Rip de Janeiro is unofficial and has yet to be confirmed. Brazil's current proven oil reserves are 11.7 billion barrels, the United States currently has 21.8 billion barrels in proven reserves, making this Carioca find, if proven, the world's biggest discovery in the past 30 years and making it the third largest known reserve in the world.

 $\frac{http://www.reuters.com/article/rbssEnergyNews/idUSN1436789420080414}{http://ap.google.com/article/ALeqM5jjfzogTbuKqVbYSPLPvAodaTOUyAD901QUSO0}$

http://www.eia.doe.gov/emeu/cabs/Brazil/pdf.pdf

Electricity

Thunderstorms Knock out Power to 36,000 Alabama Power Customers in Alabama April 11

At the peak of the storm, about 7:00 PM EDT on April 11, some 36,000 Alabama Power customers lost power due to the powerful thunderstorms ripping through the area, downing trees and power lines. http://blog.al.com/spotnews/2008/04/17000 in alabama lack power do.html

AEP's 690 MW Oklaunion Coal-fired Unit in Texas Shut April 12 Reuters, 9:47 April 14, 2008

Luminant's 565 MW Monticello Coal-fired Unit 1 in Texas Shut April 13 Reuters, 9:47 April 14, 2008

Calpine's 281 MW Delta Gas-fired Unit in California Shut April 13 Reuters, 9:47 April 14, 2008

Reliant's 775 MW Ormond Beach Gas-fired Unit 2 in California Shut April 13

Reuters, 9:47 April 14, 2008

Exelon's 855 MW Quad Cities Nuke Unit 1 in Illinois Ramped Up to 97 Percent April 14

According to the Nuclear Regulatory Commission, the unit was operating at 33 percent on April 13. Information derived from NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Update: Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas at Full Power April 14

According to the Nuclear Regulatory Commission, the unit was operating at 70 percent on April 13. Information derived from NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Exelon's 850 MW Dresden Nuke Unit 3 in Illinois Ramped Up to 99 Percent April 13

According to the Nuclear Regulatory Commission, the unit was operating at 80 percent on April 12. Information derived from NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Entergy's 813 MW FitzPatrick Nuke Unit in New York Ramped Up to 94 Percent April 12

According to the Nuclear Regulatory Commission, the unit was operating at 81 percent on April 11. Information derived from NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Delta Energy's 861 MW Delta Energy Center Aggregate Gas-fired Unit in California Reduced April 13

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 281 MW on April 13.

http://www.caiso.com/unitstatus/data/unitstatus200804131515.html

OPG's 494 MW Lambton 4 Coal-fired Unit in Ontario Shut April 14

Reuters, 9:47 April 14, 2008

OPG's 494 MW Lambton 1 Coal-fired Unit in Ontario Shut April 14

Reuters, 9:47 April 14, 2008

EPCOR's 384 MW Genesee Coal-fired Unit 2 in Alberta Shut April 14

Reuters, 9:47 April 14, 2008

TransAlta's 381 MW Keephills Coal-fired Unit 1 in Alberta Shut April 13

Reuters, 9:47 April 14, 2008

TransAlta's 280 MW Sundance Coal-fired Unit 2 in Alberta Shut April 12

Reuters, 9:47 April 14, 2008

Petroleum

Kinder Morgan Restarts 20-Inch Products Pipeline in California Following Train Derailment April 13

Kinder Morgan Energy Partners has resumed service after a brief shut down following derailment of two cars of a train in Fresno County, California. In a statement, the company noted that it shut the 20-inch pipeline that carries refined petroleum products from Colton, California to Phoenix, Arizona as a precaution for a couple of hours Bloomberg, 10:30 April 14, 2008

 $\underline{\text{http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/b2dc9a0c1e0cbfd88825742}\\\underline{\text{b001186c2?OpenDocument}}$

IEA Cuts 2008 World Oil Demand Forecast by 310,000 b/d Amid U.S. Economic Slowdown

The International Energy Agency (IEA) has cut its 2008 oil product demand forecast by 310,000 b/d for OECD countries, citing economic slowdown in the United States as the reason. However IEA left its forecast for non-OECD demand unchanged at 38.3 million b/d.

http://www.rigzone.com/news/article.asp?a_id=60038

Husky Oil Resumes Production at its 140,000 b/d White Rose Oil Field Offshore Newfoundland April 12

Ice floes forced the company to suspend all output on April 9 and the oil field is now producing at approximately 130,000 b/d.

Reuters, 10:51 April 14, 2008

Natural Gas

Corridor Resources Plans Maritimes and Northeast Pipeline Storage System in New Brunswick April 11

Corridor Resources announced recently that the company is conducting a non-binding open season to solicit interest from existing and future shippers on the Maritimes and Northeast Pipeline system for storage services from the Corridor's proposed Salt Springs Storage facility near Sussex, New Brunswick. The open season is to run through May 30, 2008.

http://www.corridor.ca/media/2008-press-releases/20080411.html

Update: Puget Sound Energy Completes Expansion Drilling to Jackson Prairie Natural Gas Storage Project in Washington

Puget Sound Energy (PSE) crews recently completed necessary drilling to the Jackson Prairie Natural Gas Storage Facility expansion project. Jackson Prairie is currently the Pacific Northwest's largest natural gas storage facility, and following the completion of the expansion in November 2008, the reservoir's natural gas withdrawal capability will increase by 35 percent, from 850 MMcf/d to 1.15 Bc/d.

http://www.downstreamtoday.com/News/Articles/200804/PSE_Major_Gas_Storage_Expansion_Underwa_10062.aspx

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices April 14, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	111.10	108.80	63.63
NATURAL GAS Henry Hub \$/Million Btu	10.07	9.36	7.93

Source: Reuters

Energy Notes

Equipment Issues Shut Multiple Units at Delek's 55,000 b/d Tyler, Texas Refinery April 15 Reuters, 10:00 April 14, 2008

Sun River Submits License Application to FERC for Proposed 15 MW Gibson Dam Hydropower Project in Montana April 12

http://www.missoulian.com/articles/2008/04/13/bnews//br38.txt

Update: FERC Issues Final Environmental Impact Statement for Rockies Express Pipeline-East 640-Mile Project from Missouri to Ohio

http://www.downstreamtoday.com/News/Articles/200804/FERC Issues Final EIS for Rockies Expres 10063.aspx

Pioneer Natural Resources Reports Net Recovery Potential of 2 Tcf of Natural Gas from Colorado's Raton Basin

http://intelligencepress.com/

Mexico's Crude Oil Exporting Ports Coatzacoalcos, Dos Bocas and Cayo Arcas Shut April 14 Due to Bad Weather

Reuters, 11:13 April 14, 2008

Eni Reports Fire at Beniboye Flow Stations in Nigeria Partially Extinguished- 5,000 b/d Production Loss

Reuters, 07:50 April 14, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA) http://tonto.eia.doe.gov/oog/info/twip/twip.asp Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil gas/petroleum/data publications/weekly petroleum status report/wpsr.html Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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http://www.oe.netl.doe.gov/index.aspx.

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